

## Message Text

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PAGE 01 MANAGU 02491 262119Z  
ACTION ARA-10

INFO OCT-01 ISO-00 IO-13 EB-07 AID-05 SS-15 CIAE-00  
COME-00 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00  
XMB-02 OPIC-03 SP-02 LAB-04 EPG-02 SIL-01 OMB-01  
NSC-05 STR-04 CEA-01 /092 W  
-----262146Z 064560 /75

P R 262027Z MAY 77  
FM AMEMBASSY MANAGUA  
TO AMEMBASSY GUATEMALA PRIORITY  
SECSTATE WASHDC 3298  
INFO AMEMBASSY SAN JOSE  
AMEMBASSY SAN SALVADOR  
AMEMBASSY TEGUCIGALPA

C O N F I D E N T I A L MANAGUA 2491

GUATEMALA ALSO FOR ROCAP

E.O. 1652: GDS  
TAGS: ECIN, PFOR, NU, XK  
SUBJECT: POSSIBLE BREAKTHROUGH IN CACM LOGJAM IN OFFING?

REF: GUATEMALA 1482

1. WELL-PLACED NEW SOURCE IN NICARAGUAN CENTRAL BANK INFORMED EMBOFF MAY 25 THAT REGIONAL MINISTERS OF ECONOMY, WHO ATTENDING IDB MEETING IN GUATEMALA LATER THIS MONTH, WILL HAVE SEPARATE MEETING THERE THIS WEEKEND TO DISCUSS "SECRET" SALVADORAN-HONDURAN PROPOSAL TO BREAK CURRENT IMPASSE IN CENTRAL AMERICAN COMMON MARKET (CACM) DEVELOPMENT AND EXPANSION.

2. SOURCE INDICATED THAT THE JOINT PROPOSAL HAD BEEN PASSED TO PRESIDENTS OF OTHER CA REPUBLICS, WHO IN TURN HAD DIRECTED THEIR ECONOMIC AND FINANCIAL ADVISERS TO GIVE ACTIVE CONSIDERATION TO HONDURAN-SALVADORAN "TREATY" PROPOSAL.

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3. SOURCE DID NOT GO INTO DETAILS OF PROPOSAL BUT SAID THAT IT WOULD SUPPLEMENT EXISTING CACM TREATY AND OPEN WAY FOR FURTHER PROGRESS IN REGIONAL ECONOMIC INTEGRATION. SOURCE IS OPTIMISTIC THAT HONDURAN-SALVADORAN PROPOSAL WILL BE ACCEPTED BY OTHER NATIONS OF REGION, INCLUDING NICARAGUA.

4. COMMENT: EMBOFF DID NOT WISH TO REVEAL THAT HE WAS AWARE OF SUCH

A PROPOSAL; AN EARLIER, SO-CALLED ROSENTHAL INITIATIVE IN THIS REGARD (REFTEL) HAD BEEN CLOSELY HELD, ESPECIALLY INsofar AS NICARAGUAN GOVERNMENT WAS CONCERNED. WE ARE NOT IN POSITION TO JUDGE WHETHER THE PROPOSAL WHICH OUR SOURCE MENTIONED IS A REVIVAL OF ROSENTHAL PLAN OR IS A NEW INITIATIVE. INASMUCH AS WE WERE UNDER IMPRESSION THAT ROSENTHAL INITIATIVE WAS MORIBUND (PER REFTEL) AND SINCE WE HAVE NOT HEARD OF ANY NEW MOVES TO BREAK SALVADORAN-HONDURAN IMPASSE, WE WERE SURPRISED TO HEAR OF PURPORTED "SECRET" MEETING IN GUATEMALA. WE WOULD, OF COURSE, BE PLEASED TO HEAR WHETHER OUR INFO CORRECT AND WHAT DEVELOPS FROM SUCH A MEETINGM THEBERGE

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## Message Attributes

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**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC INTEGRATION  
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**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
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**Disposition Reason:**  
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**Enclosure:** n/a  
**Executive Order:** GS  
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**TAGS:** ECIN, PFOR, NU, XK, CACM  
**To:** GUATEMALA STATE  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
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